

AMENDED IN SENATE SEPTEMBER 8, 2003

AMENDED IN SENATE AUGUST 20, 2003

AMENDED IN SENATE AUGUST 18, 2003

AMENDED IN SENATE JULY 8, 2003

AMENDED IN SENATE JUNE 11, 2003

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AMENDED IN SENATE MAY 13, 2003

AMENDED IN ASSEMBLY MARCH 3, 2003

CALIFORNIA LEGISLATURE—2003–04 REGULAR SESSION

## ASSEMBLY BILL

**No. 97**

**Introduced by Assembly Members Nation, Parra, and Wyland**

(Principal coauthor: Senator Denham)

**(Coauthors: Assembly Members Benoit, Berg, and Plescia)**

January 8, 2003

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An act to amend Sections *14002.3*, *47612*, 48209.15, 48209.16, and 56836.155 of, ~~to amend and repeal Section 47612 of, and to repeal Sections 48209.2, 48209.12, 48209.13, and~~ *and to repeal Section 48209.17* of, the Education Code, relating to public schools, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

LEGISLATIVE COUNSEL'S DIGEST

AB 97, as amended, Nation. Public schools.

(1) Existing law specifies that a charter school is to be treated as a school district for purposes of the State School Fund, a continuously appropriated fund. These provisions become inoperative on July 1, 2004, and are repealed on January 1, 2005.

~~This bill would delete the July 1, 2004, inoperative date and the January 1, 2005, repeal date of those provisions~~ *extend the dates on which these provisions become inoperative and are repealed to July 1, 2007, and January 1, 2008, respectively,* thereby extending the operation of those provisions ~~indefinitely~~. *The bill would, in addition, make conforming changes to other provisions.*

By extending the operation of those provisions ~~indefinitely~~, the bill would thereby make an appropriation.

~~(2) Existing law encourages school districts to hold information hearings on their educational programs and authorizes school districts to provide transportation assistance to pupils attending a school pursuant to an agreement for interdistrict attendance and to make information regarding school programs, policies, and procedures available to interested persons upon request.~~

~~This bill would delete these provisions.~~

~~(3)~~ Existing law requires each person between the ages of 6 and 18 years, not otherwise exempt, to attend the public full-time day school in the district in which their parent or guardian is a resident. Existing law establishes alternatives to this attendance requirement including, but not limited to, interdistrict transfers, which were operative until July 1, 2003, and as of January 1, 2004, are repealed.

This bill would extend the operative date of these attendance alternatives to July 1, 2007, and would extend the repeal date to January 1, 2008.

~~(4)~~

(3) Existing law, in order to recognize the distribution of pupils with severe and costly disabilities among special education local plan areas, requires the State Department of Education, in conjunction with the Office of the Legislative Analyst, to calculate an incidence multiplier for each special education local plan area and requires the Department of Finance to approve the final incidence multiplier for each special education local plan area. Existing law requires the Superintendent of Public Instruction to calculate in the 1998–99 fiscal year and each fiscal year thereafter to and including the 2002–03 fiscal year, an adjusted entitlement for the incidence of disabilities for each special education

local plan area using the incidence multiplier for each special education local plan area, as specified.

This bill would extend the requirement that the superintendent perform that calculation, as specified, through the 2003–04 fiscal year.

(4) *This bill would require the Office of the Legislative Analyst to review the funding methods and the financial accountability of charter schools and make recommendations to the Legislature on or before January 1, 2005, based on that review.*

(5) This bill would provide that it would become operative only if SB 140 of the 2003–04 Regular Session is enacted and becomes effective on or before January 1, 2004.

(6) This bill would declare that it is to take effect immediately as an urgency statute.

Vote: <sup>2</sup>/<sub>3</sub>. Appropriation: yes. Fiscal committee: yes. State-mandated local program: no.

*The people of the State of California do enact as follows:*

1 SECTION 1. *Section 14002.3 of the Education Code, as*  
2 *added by Section 26 of Chapter 1168 of the Statutes of 2002, is*  
3 *amended to read:*

4 14002.3. Notwithstanding any other provision of law, for  
5 purposes of Sections 14002, 14004, and 41301, for the 2000–01  
6 fiscal year and each fiscal year thereafter, the Superintendent of  
7 Public Instruction shall certify to the Controller amounts that do  
8 not exceed the amounts needed to fund the revenue limits of school  
9 districts, as determined pursuant to Section 42238, the revenue  
10 limits of county superintendents of schools, as determined  
11 pursuant to Section 2558, and the ~~revenue limit portion~~ *general*  
12 *purpose entitlement* of charter school operational funding, as  
13 determined pursuant to Section 47633.

14 (b) This section shall become inoperative on July 1, ~~2004~~  
15 ~~2007~~, and, as of January 1, ~~2005~~ 2008, is repealed, unless a later  
16 enacted statute, that is enacted before January 1, ~~2005~~ 2008,  
17 deletes or extends the dates on which it becomes inoperative and  
18 is repealed.

19 SEC. 2. *Section 14002.3 of the Education Code, as added by*  
20 *Section 3 of Chapter 1168 of the Statutes of 2002, is amended to*  
21 *read:*

1 14002.3. Notwithstanding any other provision of law, for  
2 purposes of Sections 14002, 14004, and 41301, for the 2000–01  
3 fiscal year and each fiscal year thereafter, the Superintendent of  
4 Public Instruction shall certify to the Controller amounts that do  
5 not exceed the amounts needed to fund the revenue limits of school  
6 districts, as determined pursuant to Section 42238, and the revenue  
7 limits of county superintendents of schools, as determined  
8 pursuant to Section 2558.

9 (b) This section shall become operative on July 1, 2004 2007.

10 SEC. 3. Section 47612 of the Education Code, as amended by  
11 Section 1 of Chapter 36 of the Statutes of 2002, is amended to read:

12 47612. (a) A charter school shall be deemed to be under the  
13 exclusive control of the officers of the public schools for purposes  
14 of Section 8 of Article IX of the California Constitution, with  
15 regard to the appropriation of public moneys to be apportioned to  
16 any charter school, including, but not limited to, appropriations  
17 made for the purposes of this chapter.

18 (b) The average daily attendance in a charter school may not,  
19 in any event, be generated by a pupil who is not a California  
20 resident. To remain eligible for generating charter school  
21 apportionments, a pupil over 19 years of age shall be continuously  
22 enrolled in public school and make satisfactory progress towards  
23 award of a high school diploma. The State Board of Education  
24 shall, on or before January 1, 2000, adopt regulations defining  
25 “satisfactory progress.”

26 (c) A charter school shall be deemed to be a “school district”  
27 for purposes of Article 1 (commencing with Section 14000) of  
28 Chapter 1 of Part 9, Section 41301, Section 41302.5, Article 10  
29 (commencing with Section 41850) of Chapter 5 of Part 24, Section  
30 47638, and Sections 8 and 8.5 of Article XVI of the California  
31 Constitution.

32 ~~SEC. 2.—~~

33 (d) *This section shall become inoperative on July 1, 2007, and*  
34 *as of January 1, 2008, is repealed, unless a later enacted statute*  
35 *that is enacted before January 1, 2008, deletes or extends the dates*  
36 *on which it becomes inoperative and is repealed.*

37 SEC. 4. Section 47612 of the Education Code, as added by  
38 Section 2 of Chapter 36 of the Statutes of 2002, is ~~repealed.~~

39 ~~SEC. 3.—Section 48209.2 of the Education Code is repealed.~~

40 ~~SEC. 4.—Section 48209.12 of the Education Code is repealed.~~

~~SEC. 5.—Section 48209.13 of the Education Code is repealed.~~

~~SEC. 6.—~~amended to read:

47612. (a) A charter school shall be deemed to be under the exclusive control of the officers of the public schools for purposes of Section 8 of Article IX of the California Constitution, with regard to the appropriation of public moneys to be apportioned to any charter school, including, but not limited to, appropriations made for the purposes of this chapter.

(b) The average daily attendance in a charter school may not, in any event, be generated by a pupil who is not a California resident. To remain eligible for generating charter school apportionments, a pupil over 19 years of age shall be continuously enrolled in public school and make satisfactory progress towards award of a high school diploma. The State Board of Education shall, on or before January 1, 2000, adopt regulations defining “satisfactory progress.”

(c) A charter school shall be deemed to be a “school district” for purposes of Section 41302.5, Article 10 (commencing with Section 41850) of Part 24, Section 47638, and Sections 8 and 8.5 of Article XVI of the California Constitution.

(d) This section shall become operative on July 1, 2004 2007.

SEC. 5. Section 48209.15 of the Education Code is amended to read:

48209.15. It is the intent of the Legislature that every parent in this state be informed of their opportunity for currently existing choice options under this article regardless of ethnicity, primary language, or literacy.

~~SEC. 7.—~~

SEC. 6. Section 48209.16 of the Education Code is amended to read:

48209.16. This article is inoperative on and after July 1, 2007, and, as of January 1, 2008, is repealed, unless a later enacted statute, which becomes effective on or before January 1, 2008, deletes or extends the dates on which it becomes inoperative and is repealed.

~~SEC. 8.—~~

SEC. 7. Section 48209.17 of the Education Code is repealed.

~~SEC. 9.—~~

SEC. 8. Section 56836.155 of the Education Code is amended to read:

1 56836.155. (a) On or before November 2, 1998, the  
2 department, in conjunction with the Office of the Legislative  
3 Analyst, shall do the following:

4 (1) Calculate an “incidence multiplier” for each special  
5 education local plan area using the definition, methodology, and  
6 data provided in the final report submitted by the American  
7 Institutes for Research pursuant to Section 67 of Chapter 854 of the  
8 Statutes of 1997.

9 (2) Submit the incidence multiplier for each special education  
10 local plan area and supporting data to the Department of Finance.

11 (b) The Department of Finance shall review the incidence  
12 multiplier for each special education local plan area and the  
13 supporting data, and report any errors to the department and the  
14 Office of the Legislative Analyst for correction.

15 (c) The Department of Finance shall approve the final  
16 incidence multiplier for each special education local plan area by  
17 November 23, 1998.

18 (d) For the 1998–99 fiscal year and each fiscal year thereafter  
19 to and including the 2003–04 fiscal year, the superintendent shall  
20 perform the following calculation to determine each special  
21 education local plan area’s adjusted entitlement for the incidence  
22 of disabilities:

23 (1) The incidence multiplier for the special education local plan  
24 area shall be multiplied by the statewide target amount per unit of  
25 average daily attendance for special education local plan areas  
26 determined pursuant to Section 56836.11 for the fiscal year in  
27 which the computation is made.

28 (2) The amount determined pursuant to paragraph (1) shall be  
29 added to the statewide target amount per unit of average daily  
30 attendance for special education local plan area determined  
31 pursuant to Section 56836.11 for the fiscal year in which the  
32 computation is made.

33 (3) Subtract the amount of funding for the special education  
34 local plan area determined pursuant to paragraph (1) of  
35 subdivision (a) or paragraph (1) of subdivision (b) of Section  
36 56836.08, as appropriate for the fiscal year in which the  
37 computation is made, or the statewide target amount per unit of  
38 average daily attendance for special education local plan areas  
39 determined pursuant to Section 56836.11 for the fiscal year in  
40 which the computation is made, whichever is greater, from the

amount determined pursuant to paragraph (2). For the purposes of this paragraph for the 2002–03 and 2003–04 fiscal years, the amount, if any, received pursuant to Section 56836.159 shall be excluded from the funding level per unit of average daily attendance for a special education local plan area. If the result is less than zero, the special education local plan area may not receive an adjusted entitlement for the incidence of disabilities.

(4) Multiply the amount determined in paragraph (3) by either the average daily attendance reported for the special education local plan area for the fiscal year in which the computation is made, as adjusted pursuant to subdivision (a) of Section 56836.15, or the average daily attendance reported for the special education local plan area for the prior fiscal year, as adjusted pursuant to subdivision (a) of Section 56826.15, whichever is less.

(5) If there are insufficient funds appropriated in the fiscal year for which the computation is made for the purposes of this section, the amount received by each special education local plan area shall be prorated.

(e) For the 1997–98 fiscal year, the superintendent shall perform the calculation in paragraphs (1) to (3), inclusive, of paragraph (d) only for the purposes of making the computation in paragraph (1) of subdivision (d) of Section 56836.08, but the special education local plan area may not receive an adjusted entitlement for the incidence of disabilities pursuant to this section for the 1997–98 fiscal year.

(f) On or before March 1, 2003, the Office of the Legislative Analyst, in conjunction with the Department of Finance and the department, shall submit to the Legislature a new study of the incidence multiplier, with recommendations as to the necessity of continuing to adjust the funding formula contained in this chapter for the purposes of this section to the extent that funding is provided for this purpose. The Office of the Legislative Analyst may contract for this study. It is the intent of the Legislature to provide funding for this study in the Budget Act of 2002.

*SEC. 9. On or before January 1, 2004, the Office of the Legislative Analyst shall review the funding methods and the financial accountability of charter schools and submit recommendations to the Legislature based on that review.*

1 SEC. 10. This act shall become operative only if Senate Bill  
2 140 of the 2003–04 Regular Session is enacted and becomes  
3 effective on or before January 1, 2004.

4 SEC. 11. This act is an urgency statute necessary for the  
5 immediate preservation of the public peace, health, or safety  
6 within the meaning of Article IV of the Constitution and shall go  
7 into immediate effect. The facts constituting the necessity are:

8 In order to maintain the status of existing law governing school  
9 district attendance, it is necessary that this act take effect  
10 immediately.

